U.S.-India Civil Nuclear Cooperation Initiative House International Relations Committee Testimony By Congressman Jim Kolbe, May 11, 2006

Mr. Chairman and Members of the Committee, thank you for the opportunity to testify today. To my good friend Chairman Hyde, who is also retiring, I have been told for the past few months that I will be missed when I am gone. I have a hard time believing them. However, I can honestly say that you Mr. Chairman will leave a huge void in the Congress. Your reputation for fairness and integrity is well deserved.

I am please to be here with you today to talk about the future of our relationship with India and the U.S.-India Civil Nuclear Cooperation Initiative.

I believe the United States, through its foreign assistance program, has played an important role in recent years to create a strong, sustainable India.

In India, US foreign assistance has achieved some success by helping develop a sound economy, strengthening democratic institutions, while developing a new ally and trading partner for the US.

The result? India now boasts the second fastest rate of economic growth in the world.

Despite these important successes, the work of building a strong and lasting relationship with India as a strategic partner is just beginning. We must help India become fully independent of all foreign assistance, achieve self sufficiency and join us as a donor nation.

The good news is that an important opportunity to achieve this has arrived in the form of the U.S.-India Civil Nuclear Cooperation Initiative.

The initiative has the potential to put India on the path to becoming a strong, clean energy producing nation. Nuclear energy is clean and safe. Greenpeace founder Patrick Moore said in the Washington Post recently that nuclear energy can "save our planet from...catastrophic climate change." By reducing CO2 emissions in a cheap, safe and efficient manner, the Indians, like the French and Japanese before them, can replace their coal-fired plants with significant emissions and help improve our planet's environmental health. Moore writes that "every responsible environmentalist should support a move" towards nuclear power.

We have also learned from the mistakes we have made in building reactors in the past so that radiation cannot escape into the environment. At Three Mile Island, for example, the reactor itself was crippled, but there was no injury or death among nuclear workers or nearby residents. Chernobyl, by contrast, utilized an old, outmoded and unsafe construction design.

Traditionally, every percent of increased energy production for a nation correlates directly with increased GNP, meaning a larger economy and greater resources for internal development.

We currently provide India more than \$60 million a year in foreign assistance, mostly in health programs. But, poverty reduction and a healthy population cannot be achieved solely with more foreign assistance.

Trade is a fundamental instrument in spurring economic growth and lifting populations out of poverty. Our objective should be to help India find the tools they need to achieve this growth.

As this Committee knows, current U.S. law prevents the U.S. from implementing the proposed U.S.-India Joint agreement because India is not a signatory to the Nuclear Non-Proliferation Treaty. This legislation amends the 1954 Atomic Energy Act, allowing American firms to provide nuclear goods and services to India's civil nuclear program, something currently prohibited.

To sign onto the NPT, India would have to give up existing weapons that it deems necessary for security. H.R. 4974 allows the U.S. to work with India outside of the constraints of the NPT.

To those who argue that providing nuclear assistance to India weakens our case in demanding Iran stop its own nuclear program, I would say there is no comparison between the two cases. Other countries have signed the NPT, but then circumvented it. But, not India. They did not sign the treaty, but they have stayed true to the letter and intent of this international agreement.

Iran signed the Nuclear Non-Proliferation Treaty and then used loopholes to pursue development of nuclear weapons. North Korea, having signed and broken their pledge completely, withdrew from the NPT. Iran and North Korea, stand convicted in the court of opinion. Those arguing that this will weaken the fight against non-proliferation should instead be asking questions of the signators -- not the non-signators of the NPT.

In the case of India, they developed their nuclear program outside of the NPT and have been an honest broker and ally to the U.S. by adhering to the principles of the NPT. They have not shared or distributed nuclear material or technology to other nations or rogue groups. This is an important distinction.

If Congress enacts this legislation, India will have tougher nuclear scrutiny than is given to China, Russia and the major nuclear powers. None of these countries' reactors are under any inspection regime. India would place at least two thirds of its program under the direct eye of the International Atomic Energy Agency.

China is a rising political power in Asia, as well as Africa and Latin America. I would remind my colleagues of our long standing national strategy to oppose the rise of a single hegemonic power in either Europe or Asia.

But, if India cannot pursue plutonium production, China would become the clear, dominant nuclear power in Asia.

This agreement is not just about helping India. Trade is a two-way street and civil nuclear cooperation will open U.S.-India trade and investment in nuclear energy for the first time in three decades, increasing opportunities for U.S. firms. And in turn creating jobs here at home.

It also reduces world demand for oil.

India must be given the opportunity to safely create alternatives to oil dependency. Iran and India, along with Pakistan, have agreed to build a \$7 billion pipeline to move Iranian natural gas to India via Pakistan. This only bolsters Iranian power in the region and India's dependency on a regime hostile to the U.S. and our allies.

The U.S.-India Civil Nuclear Cooperation Initiative will help reduce global emissions of pollutants while simultaneously stimulating India's economy.

Last July, the United States joined with Australia, China, India, Japan, and South Korea to create a new Asia-Pacific partnership on clean development, energy security, and climate change. The purpose of the partnership is to allow participating nations to develop and accelerate deployment of cleaner, more efficient energy technologies that can help us meet goals for national pollution reduction, energy security, and climate change. If we believe in a cleaner environment and a healthier future, we must develop new energy sources, using science and technology, rather than relying on deeper oil wells in ever more remote corners of the world.

Simply put, the U.S.-India Civil Nuclear Cooperation Initiative is about giving India a helping hand towards toward a self-sustaining energy future.

The United States' role as a foreign assistance donor to India is coming to a close. We have one important task left: pass the US-India Civil Nuclear Cooperation agreement – an agreement that will create jobs in America and give India the tools and resources it needs to stand on her own and be a self-sufficient, key ally, making a difference in the global economy.

In closing, I would like to remind my colleagues of India's vast potential. With a population of close to 1.1 billion people, India faces great opportunity and some challenges. Currently, 25% of the population, roughly the size of the U.S., still lives in poverty on less than a dollar a day. There are real health concerns and lack of access to many basic needs. We can reduce this suffering by giving the thriving middle class -- as

large as the entire population of our own country -- the resources they need to be strong and prosperous, so those in poverty can be elevated.

Imagine hundreds of millions of people with an appetite for energy consumption and in many cases imported American goods, brands, technology and ingenuity. We have an obligation to India as well as to our country to maintain a strong alliance with such a robust nation.

Given these facts, I urge my colleagues to set aside old fears and myths and the scare tactics of nuclear proliferation and the mushroom cloud, and acknowledge the truth that nuclear technology is a cleaner and safer, way of providing energy in a growing region.

Thank you.